

In the Matter of:                                 )  
  )  
Application for Certification                 ) Docket No.  
for the Magnolia Power Project             ) 01-AFC-6

COMMITTEE MEMBERS PRESENT

John L. Geesman, Commissioner, Presiding Member

Susan Gefter, Hearing Officer

STAFF PRESENT

David Abelson, Staff Counsel

James Reede, Project Manager

APPLICANT

Scott Galati  
Galati and Blek, LLP

Bruce Blowey, Magnolia Power Project

Richard J. Morillo  
Assistant City Attorney  
City of Burbank

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1 P R O C E E D I N G S

2 PRESIDING MEMBER GEESMAN: Okay, we'll  
3 come to order for the Evidentiary Hearing and  
4 Committee Conference on the Presiding Member's  
5 Proposed Decision for the Magnolia Power Project.

6 With me is Susan Gefter, our Hearing  
7 Officer. I'm John Geesman, the Presiding Member  
8 of the Committee hearing the case.

9 Ms. Gefter, do you want to proceed?

10 HEARING OFFICER GEFTER: Okay.  
11 Commissioner Rosenfeld, who is the Associate  
12 Committee Member, could not join us today.

13 Before we begin I'd like to take  
14 introductions of the parties, and we'll ask the  
15 Applicant to go first.

16 MR. GALATI: Good afternoon. My name is  
17 Scott Galati, with Galati and Blek, and I  
18 represent SCPPA on the Magnolia Power Project as  
19 their licensing counsel.

20 And to my left is Bruce Blowey, who is  
21 the Project Manager or Project Director from the,  
22 representing SCPPA, on behalf of Magnolia since  
23 its inception. And behind me we have Rick  
24 Morillo, who is the attorney with the City of  
25 Burbank. And I believe we might have a few

1 members on the phone.

2 Is there anybody on the phone from the  
3 Magnolia Project team?

4 HEARING OFFICER GEFTER: I believe that  
5 Kevin Wright is on the phone, and also Cindy  
6 Poire.

7 MR. GALATI: Kevin, Cindy, can you hear  
8 us?

9 HEARING OFFICER GEFTER: They're on  
10 listen only, so they can hear us.

11 When we get to a point in the hearing  
12 when we need their testimony, we'll ask the  
13 operator to send them through to us. We are  
14 conducting a teleconference here in Sacramento,  
15 and we are also providing a free call to, as a  
16 teleconference, so that parties who could not  
17 attend today in Sacramento can participate, and  
18 that's why we're having a little bit of technical  
19 difficulty trying to contact the folks on the  
20 phone.

21 But when we need them to testify, we'll  
22 put them through on the phone.

23 Staff.

24 MR. ABELSON: Thank you, Commissioner  
25 Geesman and Hearing Officer Gefter. My name is

1 David Abelson, I'm Senior Staff Counsel. To my  
2 right is James Reede, the Project Manager. We  
3 have staff members both in the audience and  
4 available on call, if necessary, to address the  
5 few remaining issues that are outstanding in this  
6 case.

7 HEARING OFFICER GEFTER: Thank you.

8 The Intervenor, California Unions for  
9 Reliable Energy, CURE, is not planning to attend  
10 today's hearing. I do understand that South Coast  
11 Air Quality Management District will provide a  
12 representative on the phone. Is there somebody on  
13 the phone right now from the Air District, do you  
14 know?

15 (Off the record discussion.)

16 MR. REEDE: It would either be John Yee  
17 or John Dang.

18 HEARING OFFICER GEFTER: Okay. When  
19 they get on the phone we'll have them introduced.

20 What, at this point, before we proceed  
21 with an Evidentiary Hearing that was noticed to  
22 take additional evidence in the Presiding Member's  
23 Proposed Decision, we had requested additional  
24 evidence, we are going to reopen the record  
25 shortly to take the additional evidence we



1 requested. However, before we do that, the  
2 Applicant has requested that we recess for about  
3 30 minutes so that the Applicant and the staff  
4 could discuss their comments and the new evidence  
5 that was submitted, and the Committee is amenable  
6 to that.

7 And so at this point we will go off the  
8 record and we will recess to a workshop group.  
9 The people who are listening by phone may continue  
10 to listen and participate, if necessary, in the  
11 workshop.

12 So the hearing is now adjourned for  
13 about 30 minutes.

14 (Thereupon, the hearing was  
15 recessed at 2:13 p.m., and  
16 resumed at 3:14 p.m.)

17 HEARING OFFICER GEFTER: We're back on  
18 the record after a very productive workshop  
19 session.

20 And in the way of background, the  
21 purpose of today's Evidentiary Hearing is to  
22 receive evidence to clarify inconsistencies as  
23 indicated in the PMPD.

24 Witnesses shall testify under oath or  
25 affirmation, and are subject to cross examination.

1 The reporter will administer the oath.

2 Per the notice of today's hearing, the  
3 Applicant and staff submitted supplemental  
4 testimony on several topics that we had found  
5 incomplete in the PMPD. The parties also  
6 redrafted several Conditions of Certification that  
7 we will review during this hearing process.

8 We distributed an updated exhibit list  
9 that includes the new exhibits identified in the  
10 supplemental testimony, and everyone should have a  
11 copy of that updated list at this point.

12 The parties should refer to the exhibits  
13 relevant to each topic as it is presented, and  
14 move the pertinent exhibits into evidence as  
15 appropriate.

16 To accommodate the witnesses from the  
17 air district, if they are on the phone, we will  
18 hear testimony on Air Quality first. Otherwise,  
19 we'll have to wait until they call in. We were  
20 planning to begin with Air Quality, but if the air  
21 district witnesses aren't available we can go  
22 through the other topics.

23 Let's take a check and see what's going  
24 on.

25 MR. REEDE: With your permission,

1       Hearing Officer Gefter, may we go to Transmission  
2       System Engineering first, since we do have staff  
3       available, and the staff member would need to be  
4       sworn, to explain the difference between the  
5       general orders and the NESC off the record for a  
6       moment.

7               HEARING OFFICER GEFTER:  Off the record.

8               (Off the record.)

9               HEARING OFFICER GEFTER:  Back on the  
10       record.

11               Staff will call the witness on  
12       Transmission System Engineering, and then we'll go  
13       on to Air Quality.

14               Staff, do you have the witness.

15               (Thereupon, Dimitri Bucaney was,  
16       by the reporter, sworn to tell  
17       the truth, the whole truth, and  
18       nothing but the truth.)

19               HEARING OFFICER GEFTER:  Staff, would  
20       you introduce your witness and ask him to explain  
21       the difference between the General Orders of the  
22       CPUC and the NESC and the Transmission System  
23       Engineering testimony.

24               MR. ABELSON:  Ms. Gefter, I'd be happy  
25       to do that.  I'm going to ask the Project Manager,

1 Mr. Reede, to handle that particular function  
2 because he's very familiar with the details of  
3 this issue. So with your permission, Mr. Reede,  
4 would you take responsibility.

5 HEARING OFFICER GEFTER: Will the  
6 witness identify yourself and give us your  
7 position with the Energy Commission, please.

8 MR. REEDE: Thank you, Mr. Abelson and  
9 Ms. Gefter.

10 TESTIMONY OF DIMITRI BUCANEY  
11 called as a witness on behalf of Commission Staff,  
12 having been first duly sworn, was examined and  
13 testified as follows:

14 DIRECT EXAMINATION

15 BY MR. REEDE:

16 Q Would you please state your name and  
17 qualifications?

18 A My name is Dimitri Bucaney. I work for  
19 Transmission Systems Engineering, and I have at  
20 least 25, approximately 25 years of experience in  
21 power systems. I did design transmission lines  
22 for up to 345 kV. I designed power plants, hydro  
23 power plants, and also the renewables when I took  
24 the 345 kV.

25 Q And would you also explain your

1 education, please.

2 A I have a degree in Electric Engineering.  
3 It's a five-year course, and I have also a degree  
4 in, I have also a Master's degree in Business  
5 Administration.

6 Q Are you a registered professional  
7 engineer in the State of California?

8 A I am a registered professional  
9 electrical engineer, and I am also a registered  
10 electrical contractor for the State of California.

11 Q Thank you. Mr. Bucaney, would you  
12 please explain to the Committee the differences  
13 between the California Public Utilities Commission  
14 General Orders relating to transmission lines and  
15 also the NESC requirements as they relate to use  
16 by municipal utility districts.

17 A The General Orders are formulated by the  
18 CPUC, and the General Orders were not the, the  
19 munis. The municipalities are not subjected to  
20 follow these General Orders. The GO 95 explicitly  
21 deals with overhead construction, and the GO 128  
22 deals specifically with the underground system.  
23 Whereas the NESC is a national standard which  
24 covers both overhead and underground systems.

25 The GO 95 and 128, they are more

1 specific. They're more stringent, because they  
2 specifically say what are the clearances. Whereas  
3 on the, on the NESC they're more of a ballpark  
4 figure, in terms of per kV.

5 MR. REEDE: Did you have more, or did  
6 you want --

7 HEARING OFFICER GEFTER: The conditions  
8 under Transmission System Engineering indicate  
9 that the Applicant can use either the NESC or the  
10 GOs, in terms of standards in building their  
11 transmission facilities. And the concern I had  
12 was whether that was giving the Applicant too much  
13 leeway, or whether this, it makes sense in the  
14 context of this being a municipality  
15 interconnecting into a transmission system that at  
16 some point is covered by the PUC.

17 THE WITNESS: No. Both, both guidelines  
18 deals with the safety. They consider all the  
19 safety on both sides. The GO 95, this flexibility  
20 between the GO and the NESC give us a flexibility  
21 on the usage, on the implementation, because SCPPA  
22 is connected to different entities like COB, which  
23 is the City of Burbank, which is a municipality,  
24 and the LADWP, which is also a municipality. And  
25 the other one is SCE, which is, what do -- IOUs,

1 investor owned utilities, they should follow the  
2 GOs.

3 HEARING OFFICER GEFTER: Which comes  
4 under the jurisdiction of the CPUC.

5 THE WITNESS: Yes.

6 HEARING OFFICER GEFTER: Okay. And so  
7 it's your recommendation that the condition remain  
8 as written, which gives the Applicant the  
9 flexibility of using either standard?

10 THE WITNESS: Yes.

11 HEARING OFFICER GEFTER: Okay. Thank  
12 you.

13 MR. REEDE: Thank you. You're  
14 dismissed.

15 HEARING OFFICER GEFTER: Does the  
16 Applicant have any cross examination?

17 MR. GALATI: Just one question.

18 CROSS EXAMINATION

19 BY MR. GALATI:

20 Q If the Applicant chose to use the NESC  
21 for the municipal upgrades, would your finding  
22 that -- would you find that the Applicant complied  
23 with LORS?

24 A Yes.

25 MR. GALATI: No further questions.

1 HEARING OFFICER GEFTER: That's all we  
2 have for this witness.

3 MR. REEDE: Thank you.

4 HEARING OFFICER GEFTER: Thank you very  
5 much.

6 And we'll, now, in order for this to  
7 make sense in terms of the record, staff has  
8 submitted supplemental testimony which is, we have  
9 numbered Exhibit 58, in which the Transmission  
10 System Engineering testimony appeared, and  
11 identify that, if you agree, will be Exhibit 58,  
12 identified, and you can move it into the record  
13 later after we take all the comments that are  
14 contained in that testimony.

15 MR. REEDE: Your preference, Ms. Gefter.

16 HEARING OFFICER GEFTER: I was just, I  
17 wanted to do that for the record, so that when we  
18 look at the transcript we can see that the  
19 testimony is supported by the Exhibit 58.

20 (Thereupon, the above-referenced  
21 document was marked as Staff  
22 Exhibit 58 for identification.)

23 HEARING OFFICER GEFTER: Let's go back  
24 to, our original plan was to go, to start with Air  
25 Quality. Now, the Applicant has filed quite a few



1 exhibits with respect to Air Quality to clear up  
2 some of the confusion that we had in the record,  
3 that we indicated in the PMPD.

4 Applicant has several exhibits that we  
5 would ask you to identify at this point, and then  
6 if you could proceed I think your witness, Mr.  
7 Wright, is on the phone.

8 MR. GALATI: Correct. Before we get to  
9 Mr. Wright, I'd like to identify that he filed  
10 supplemental written testimony which was docketed  
11 on February 19th, and we've numbered it,  
12 tentatively, Exhibit 49. The purpose of that  
13 testimony was to answer the Committee's request  
14 for additional information about the emission  
15 offset package.

16 Mr. Wright is also sponsoring Exhibit  
17 50, which is a table that Mr. Wright prepared,  
18 which is a summary of Applicant's offset package.  
19 This was specifically a table that appeared on the  
20 PMPD page 120, and we've numbered Exhibit 50  
21 showing modifications and updating that table in a  
22 red line strike-out format, so it would be easy  
23 for the Committee to follow what changes.

24 In addition, just to make it absolutely  
25 clear, we submitted Exhibit 51, which is that same

1 table with the changes accepted. So that is how  
2 PMPD -- excuse me, the table on page 120 of the  
3 PMPD should look.

4 In addition, Mr. Wright is sponsoring  
5 proposed Exhibit 52, which is a VOC ERC  
6 certificate documentation, specifically a notice  
7 of completion of an ERC transfer that showed that  
8 SCPPA originally acquired a large amount of VOC  
9 ERCs.

10 Also identifying Exhibit 53, which is an  
11 e-mail from the South Coast Air Quality Management  
12 District, dated February 7, 2003, from Desh Jain  
13 of that district, acknowledging that a certain  
14 portion of those ERCs were sold to Petro Diamond.

15 Exhibit 54 is a letter from Pang  
16 Mueller, so we'll need to correct the exhibit  
17 list, that is dated February 21st, 2003,  
18 certifying that the emission offsets identified  
19 for Magnolia Power Project complied to -- comply  
20 with 25523D2, and comply with the district's  
21 rules. Which Mr. Wright is also sponsoring.

22 So those, 49, 50, 51, 52, 53, and 54,  
23 are all exhibits and testimony sponsored by Mr.  
24 Wright.

25 Attached to Mr. Wright's testimony is a

1 declaration and a summary of his qualifications.

2 So unless the Committee wants to hear that

3 information from Mr. Wright, I'd just ask that

4 that be all moved into evidence at this time.

5 MR. ABELSON: No objection from staff.

6 HEARING OFFICER GEFTER: Fine, okay.

7 Exhibits 49, 50, 51, 52, 53, and 54 are now

8 received into the record.

9 (Thereupon, the above-referenced

10 documents, marked for identification

11 as Applicant's Exhibits 49, 50, 51,

12 52, 53 and 54, were received in

13 evidence.)

14 HEARING OFFICER GEFTER: If you would

15 like to introduce your witness at this time and

16 have him sworn by the reporter.

17 (Thereupon, Kevin Wright was,

18 by the reporter, sworn to tell

19 the truth, the whole truth, and

20 nothing but the truth.)

21 TESTIMONY OF

22 KEVIN WRIGHT

23 called as a witness on behalf of the Applicant,

24 having first been duly sworn, was examined and

25 testified as follows:

## 1 DIRECT EXAMINATION

2 BY MR. GALATI:

3 Q Mr. Wright, can you please state your  
4 name and occupation, and where you are employed.

5 A I am Kevin Wright. I'm currently the  
6 senior project scientist and air practice leader  
7 for Entrix, an environmental consulting firm in  
8 Ventura, California.

9 Q Can you please briefly describe what you  
10 did or do for SCPPA for the Magnolia Power  
11 Project?

12 A We provided the air quality management  
13 services for SCPPA, in particular managing the  
14 purchase of retail trading credits, RTCs, and  
15 emission reduction credits, ERCs, that satisfied  
16 the emission liabilities for the project.

17 Q You previously heard me describe  
18 Exhibits 49 through 54. Are you familiar with  
19 those exhibits?

20 A Yes, I am.

21 Q And are you sponsoring those exhibits in  
22 this proceeding?

23 A Yes, I am.

24 Q And to your knowledge, are they, do they  
25 reflect your, are they accurate and reflect your

1 best opinions?

2 A Yes, they are.

3 MR. GALATI: I have no further  
4 questions.

5 HEARING OFFICER GEFTER: Any cross  
6 examination from staff?

7 MR. ABELSON: No questions from staff.

8 HEARING OFFICER GEFTER: Mr. Wright,  
9 referring to the table which is included as  
10 Exhibit 51 and 52, which shows the Applicant's  
11 offset package.

12 THE WITNESS: Yes.

13 HEARING OFFICER GEFTER: Okay. Is this  
14 your understanding of the final package that the  
15 air district has approved?

16 THE WITNESS: Yes.

17 HEARING OFFICER GEFTER: Okay. And we  
18 had some, our sources were various exhibits. Did  
19 you have some additional exhibit numbers that you  
20 wanted to refer to as part of this table? Or is  
21 that -- Mr. Galati had indicated that to me at one  
22 point.

23 MR. GALATI: Yeah. And I think that we  
24 have subsequently just moved those in as separate  
25 exhibits. But I think the table -- I'm not sure

1       whether the table needs additional references.

2               HEARING OFFICER GEFTER:   Okay.   All  
3       right, we can talk about that later.

4               MR. GALATI:   You know, other than  
5       Exhibit 49.

6               HEARING OFFICER GEFTER:   All right.  
7       Okay.   I think that's it, Mr. Wright, because I  
8       think that the exhibits speak for themselves and  
9       no one has objection to them.

10              MR. ABELSON:   The only other thing I'd  
11       add for the record, Commissioner and Officer  
12       Gefter, is staff has both received and reviewed  
13       all of the exhibits in question.   We have no  
14       questions or concerns about them.

15              HEARING OFFICER GEFTER:   Thank you very  
16       much.

17              All right.   Let's move on and let's use  
18       the Applicant's comments as our guide, because you  
19       had comments on several different sections.   And I  
20       think the next one would be Waste Management.

21              MR. GALATI:   Yeah.   If I could just mark  
22       an exhibit under Project Purpose and Description.  
23       At this time I'd like to have Mr. Blowey sworn.

24              HEARING OFFICER GEFTER:   Okay.   So you  
25       want to go on to Project Purpose and Description

1 at this point. All right, that's fine.

2 (Thereupon, Bruce Blowey was, by  
3 the reporter, sworn to tell the  
4 truth, the whole truth, and  
5 nothing but the truth.)

6 MR. GALATI: I'd just like him to mark  
7 all of the exhibits at once here so that we can  
8 move them in in the appropriate sections, if  
9 that's okay.

10 HEARING OFFICER GEFTER: That's fine.

11 TESTIMONY OF

12 BRUCE BLOWEY

13 called as a witness on behalf of Staff, having  
14 first been duly sworn, was examined and testified  
15 as follows:

16 DIRECT EXAMINATION

17 BY MR. ABELSON:

18 Q Mr. Blowey, can you please state your  
19 name for the record, and who you're employed with,  
20 and what your role is on the Magnolia Power  
21 Project?

22 A My name is Bruce Blowey. I'm a  
23 consultant to the Southern California Public Power  
24 Authority, specifically assigned to manage the  
25 licensing process for the Magnolia Power Project.

1           Q     Mr. Blowey, there is a tentatively  
2     marked Exhibit 55 that I'd like to identify now as  
3     the Department of Toxic Substances Control  
4     Voluntary Clean-up Agreement. Are you familiar  
5     with that document?

6           A     Yes, I am.

7           Q     That document is dated January 13, 2003.  
8     Is that correct?

9           A     Yes.

10          Q     There is also a letter from Harland R.  
11     -- and I cannot pronounce the name -- J-e-c-h-e,  
12     from Department of Toxic Substances Control, to  
13     Mr. David Bernal, regarding the Magnolia Voluntary  
14     Clean-up Agreement. Are you familiar with that  
15     letter?

16          A     Yes.

17          Q     That letter is dated November 15th,  
18     2002?

19          A     Yes.

20          Q     I'd like to identify that one as Exhibit  
21     56.

22                     In addition, are you familiar with the  
23     various letters from the cities who are  
24     participating in the Magnolia Power Project?

25          A     Yes.



1           Q     And could you please tell me which  
2     cities at this time are participating in the  
3     Magnolia Power Project?

4           A     The cities of Anaheim, Burbank,  
5     Cerritos, Colton, Glendale, and Pasadena.

6           Q     And have you reviewed the package marked  
7     as Exhibit 57?

8           A     Yes.

9           Q     Does that show the participating  
10    percentages of those cities in the Magnolia Power  
11    Project?

12          A     Yes.

13          Q     To the best of your knowledge, do these,  
14    are these exhibits accurate?

15          A     Yes.

16          Q     Can you briefly describe for the  
17    Committee, there was another city that was  
18    participating, and please describe why there are  
19    now six cities participating.

20          A     When we started the planning for this  
21    project it was under the, what we called the  
22    Planning Agreement among the seven cities, which  
23    included these six plus San Marcos. Once we  
24    obtain the license and go out for funding for  
25    construction, we will be operating under a

1 construction management and operating agreement  
2 and a power sales agreement with each one of these  
3 cities.

4 We went through a process called an  
5 election process, which asked each of the  
6 participating cities under the planning agreement  
7 what share of generation they wanted to have from  
8 the project once it entered operation. At the  
9 time of the first round of election, the San  
10 Marcos had made the decision that they would not  
11 be able to participate in the construction  
12 operation of the project, so they elected not to  
13 continue participation after the planning  
14 agreement expired.

15 The, so we went through a second round  
16 wherein Anaheim picked up an additional portion of  
17 the project, as well as Glendale and Pasadena. So  
18 they picked up what San Marcos declined to take,  
19 and we're back to 100 percent participation.

20 MR. GALATI: I have no further questions  
21 on Project Purpose and Description. Would it be  
22 okay for me to move those three exhibits in at  
23 this time?

24 HEARING OFFICER GEFTER: Is there any  
25 objection to the exhibits?

1 MR. ABELSON: No objection.

2 HEARING OFFICER GEFTER: Okay. Exhibits  
3 55, 56, and 57 are now received into the record.

4 (Thereupon, the above-referenced  
5 documents, marked as Exhibits 55,  
6 56 and 57, were received into  
7 evidence.)

8 HEARING OFFICER GEFTER: I do want to  
9 note at page 16 of the PMPD, we are deleting the  
10 portion of the sentence that refers to LADWP as  
11 the interconnection point.

12 MR. GALATI: Yes, we agree with that  
13 modification.

14 MR. REEDE: Staff agrees.

15 HEARING OFFICER GEFTER: Thank you.  
16 The next topic, Mr. Galati.

17 MR. GALATI: At this time, I will call,  
18 again have Mr. Blowey describe some of what  
19 happened in the Waste Management area.

20 HEARING OFFICER GEFTER: Actually, you  
21 know what, let's back up a bit. And I'm looking  
22 at your comments, and what you have next in line  
23 is Transmission System Engineering, which is  
24 related to the comment we just made about the  
25 LADWP interconnection. So why don't we follow

1 with Transmission System Engineering.

2 MR. GALATI: Okay. I don't, Hearing  
3 Officer Gefter, I don't have anymore evidence --

4 HEARING OFFICER GEFTER: Oh, I see.

5 MR. GALATI: -- to, I don't know if you  
6 wanted to conclude the Evidentiary Hearing once it  
7 was complete and then take description of comments  
8 on the PMPD, but that's all of our evidence at  
9 this time --

10 HEARING OFFICER GEFTER: Oh, okay.  
11 Yeah, let's --

12 MR. GALATI: -- unless you need further  
13 explanation on the voluntary agreement.

14 HEARING OFFICER GEFTER: Okay. You're  
15 correct that we need to stick within the context  
16 of the Evidentiary Hearing, and then we'll go to  
17 your comments. So you have additional exhibits,  
18 then, that you want to describe to us with respect  
19 to the voluntary clean-up agreement?

20 MR. GALATI: Just --

21 HEARING OFFICER GEFTER: Go forward with  
22 that, and that's under the Waste Management  
23 section.

24 MR. GALATI: Yeah, that's Exhibit 55 and  
25 Exhibit 56, and I was just going to ask Mr. Blowey

1 a few questions in that area.

2 BY MR. GALATI:

3 Q Mr. Blowey, you were present and  
4 participated in the November Evidentiary Hearing  
5 in this matter?

6 A Yes.

7 Q And at that time did you have a  
8 voluntary clean-up agreement?

9 A No.

10 Q And since that time have you entered  
11 into a voluntary clean-up agreement with DTSC?

12 A Yes.

13 Q And is a copy of that Exhibit 55?

14 A Yes.

15 MR. GALATI: I think that's all I really  
16 wanted to clear up, was that we are now in a  
17 voluntary clean-up agreement.

18 HEARING OFFICER GEFTER: All right. And  
19 as a result of that, you have proposed  
20 modifications to certain text in the PMPD, and to  
21 certain conditions as well.

22 MR. GALATI: That's correct. And I can  
23 highlight those in our comments on the PMPD.

24 HEARING OFFICER GEFTER: All right,  
25 that's fine.

1 MR. REEDE: Or, with your preference,  
2 Hearing Officer Gefter, staff has reviewed those  
3 proposed changes to the Conditions of  
4 Certification and takes no issue with them. If  
5 you want to just do away with Waste Management  
6 altogether.

7 HEARING OFFICER GEFTER: So there's no  
8 objection from staff as to the changes proposed by  
9 the Applicant.

10 MR. REEDE: No, there's none.

11 HEARING OFFICER GEFTER: Okay, that's  
12 fine. So we will accept that for the Waste  
13 Management. Although -- okay, and then when we go  
14 into the comment period we'll take staff's  
15 comments on Waste, as well.

16 Anything else in terms of Evidentiary  
17 Hearing?

18 MR. GALATI: I have no additional  
19 evidence.

20 HEARING OFFICER GEFTER: Okay. Does  
21 staff have any exhibits that you would like to  
22 sponsor?

23 MR. ABELSON: Yes. For purposes of a  
24 witness sponsoring it, I would ask that Mr. Reede,  
25 if he hasn't already been, be sworn.

1           (Thereupon, James Reede was,  
2           by the reporter, sworn to tell  
3           the truth, the whole truth, and  
4           nothing but the truth.)

5                       TESTIMONY OF

6                       JAMES REEDE

7           called as a witness on behalf of Staff, having  
8           first been duly sworn, was examined and testified  
9           as follows:

10                      DIRECT EXAMINATION

11                      BY MR. ABELSON:

12           Q     Mr. Reede's credentials are part of the  
13           Staff Assessment in this, so I'm just simply going  
14           to ask if you've served as project manager  
15           throughout this project, Mr. Reede.

16           A     I did.

17           Q     And are you familiar in general with the  
18           materials that staff has prepared and tendered  
19           into the docket in this matter?

20           A     Yes, I am.

21           Q     And are you specifically familiar with  
22           the document entitled "California Energy  
23           Commission Staff's PMPD Supplemental Testimony and  
24           Comments", docketed February the 13th, 2003,  
25           tentatively labeled as Exhibit 58 on the exhibit

1 list?

2 A Yes, I compiled and filed the document.

3 Q All right. Are you also familiar with  
4 another document entitled "CEC Staff's PMPD  
5 Supplemental Public Health Testimony", also  
6 docketed February 13th, 2003, and tentatively  
7 identified as Exhibit 59 on the exhibit list?

8 A Yes, I compiled, reviewed, edited and  
9 filed the document.

10 Q And to the best of your knowledge, do  
11 those documents reflect the facts as staff knows  
12 them?

13 A That is correct.

14 Q And do they reflect staff's best opinion  
15 on the issues to the extent opinions are offered?

16 A That is correct.

17 MR. ABELSON: Without objection, we  
18 would offer those exhibits.

19 MR. GALATI: No objection.

20 HEARING OFFICER GEFTER: Okay, Exhibits  
21 58 and 59 are now received into the record.

22 (Thereupon, the above-referenced  
23 documents, marked as Exhibits 59 and  
24 59 for identification, were received  
25 in evidence.)



1 MR. ABELSON: Thank you.

2 HEARING OFFICER GEFTER: Now, with  
3 respect to Exhibit 59, which is testimony of Alvin  
4 Greenberg on Public Health, are you planning to  
5 bring Mr. Greenberg in to testify?

6 MR. ABELSON: No, we were not.

7 HEARING OFFICER GEFTER: Is there any  
8 objection to the testimony as submitted?

9 MR. GALATI: There's no objection, and  
10 the Applicant specifically accepts the analysis  
11 and condition proposed in that Public Health  
12 testimony.

13 HEARING OFFICER GEFTER: Thank you.

14 So now we move on. Are there any other  
15 matters relating to exhibits, or any other  
16 testimony or evidence that either party would like  
17 to offer into the record at this point?

18 MR. GALATI: No, just our PMPD comments,  
19 which I think are part of the record anyway.

20 MR. ABELSON: Only to the extent that we  
21 clarify on the comment discussion to follow.

22 HEARING OFFICER GEFTER: Okay. So at  
23 this point the evidentiary record is closed. And  
24 we are going to be moving on to the comment  
25 discussion. And both parties, as part of your

1 filings, filed comments, and that may be why it  
2 seems a bit confusing because the comments are  
3 interspersed with the testimony.

4 So we'll try to go now to comments. And  
5 I'll ask the Applicant to begin.

6 MR. GALATI: First, for clarification,  
7 we prepared our comments assuming that the  
8 exhibits we just rattled off were going to be  
9 accepted. So they are identified by those numbers  
10 in the comments, and so many of our comments  
11 reflect changes to references or modifications  
12 based on those exhibits now being in the record.

13 In Project Purpose and Description, on  
14 page 13, our second paragraph under project  
15 ownership. We just ask that the reference be  
16 modified to be Exhibit 57.

17 And also under Project Purpose and  
18 Description, Finding Number 7, on page 18, we ask  
19 that the words "and LADWP" be deleted, so that the  
20 new finding will read, "The MPP will interconnect  
21 to the COB transmission systems."

22 MR. ABELSON: Staff agrees with that.

23 HEARING OFFICER GEFTER: Thank you.

24 MR. GALATI: For the record, Applicant  
25 had no comments on the Alternative sections of the

1 PMPD, nor the Compliance and Closure section, the  
2 Facility Design section, Power Plant Efficiency  
3 section, and Power Plant Reliability section.

4 Our next set of comments are on the  
5 Transmission System Engineering section. To  
6 reflect that the project is interconnecting with  
7 the COB, and also to reflect that three  
8 agreements, as opposed to one agreement, would be  
9 necessary for this project to not only be able to  
10 interconnect at the city of Burbank, as well as to  
11 mitigate any impacts to other transmission owner  
12 systems, we ask for some clarification on page 92  
13 of the second paragraph, and we modified the  
14 fourth sentence as it is set forth in our written  
15 comments.

16 In general, we've asked that to reflect  
17 the three agreements independent, as opposed to  
18 three or four parties signing one agreement. With  
19 that in mind, also the last sentence on page 92  
20 should be deleted.

21 Further along those lines, we've  
22 modified, on page 97, Condition of Certification  
23 TSE5, specifically verification D. In our  
24 workshop today we made some progress in further  
25 clarifying that, so I would like to read that

1 proposed modification into the record at this  
2 time.

3 We would prefer the verification to  
4 begin so that it now says,

5 "At least 60 days prior  
6 to the start of construction  
7 of each of the transmission"  
8 -- "each of" -- excuse me --  
9 "colon, one, the transmission  
10 facilities necessary to  
11 interconnect with the COB  
12 system; two, transmission  
13 facilities necessary to  
14 mitigate impacts to the LADWP  
15 system at receiving station E;  
16 and, three, transmission  
17 facilities necessary to  
18 mitigate impacts to the SCE  
19 system at Sylmar Substation,  
20 comma, the project owner shall  
21 submit to the CBO and CPM for  
22 approval."

23 The next change we'd like to make to  
24 that verification is only to paragraph labeled  
25 Paragraph D. And I think that our, the only

1 change to what we proposed, so, again, we'd like  
2 to have the changes proposed on page five of our  
3 comments, modified by the workshop to include in  
4 the last sentence, which begins, "Substitution of  
5 equipment and substation configurations shall be  
6 identified and justified by the project owner for  
7 CBO," insert, "and CPM approval."

8 And I believe that reflects the  
9 agreement with staff in the workshop prior.

10 MR. REEDE: That is correct. Staff does  
11 agree to those particular changes.

12 HEARING OFFICER GEFTER: Thank you.

13 MR. GALATI: The Applicant has no  
14 further, no comments on Transmission Line Safety  
15 and Nuisance. And our only comments --

16 MR. REEDE: Excuse me. Did we cover, in  
17 the first sentence of the verification where it  
18 says "the CBO and CPM for approval"?

19 MR. GALATI: Yes, we did.

20 MR. REEDE: Okay. Thank you.

21 MR. GALATI: Our next area is Air  
22 Quality, and we would just, the only changes that  
23 we proposed here reflect Exhibits 49 and 50  
24 through 54 being set into the record.

25 Specifically, at pages 118 and 119,

1 delete the last three sentences of the paragraph  
2 that begins on page 118 and ends on 119, and  
3 replace with the following.

4 "The South Coast Air  
5 Quality Management District  
6 has certified complete  
7 emission offsets have been  
8 identified and will be  
9 obtained for the MPP within  
10 the time required by South  
11 Coast Air Quality Management  
12 District rules and  
13 regulations", with the  
14 references Exhibit 54.

15 We ask that on page 120 of the PMPD, the  
16 table which is entitled "Summary of Applicant's  
17 Offset Package", should be replaced with  
18 "Applicant's Exhibit 51."

19 And then on page 124, on Findings and  
20 Conclusions of the PMPD, Finding 16 should be  
21 modified to reflect that the Applicant's complete  
22 offset package complies with Public Resources Code  
23 2523D2.

24 HEARING OFFICER GEFTER: Staff?

25 MR. ABELSON: No objection.

1 HEARING OFFICER GEFTER: Thank you.

2 MR. GALATI: In the area of Public  
3 Health, we've made some changes to identify both  
4 the voluntary clean-up agreement that was entered  
5 into between SCPPA and the Department of Toxic  
6 Substances Control, DTSC, and the fact that  
7 Exhibit 56 identifies the process by which DTSC  
8 will be involved in reviewing various submittals  
9 for the Applicant under that voluntary clean-up  
10 agreement.

11 And we have no changes to what we  
12 previously submitted on page 6. So we ask that  
13 you make those changes at page 148 as identified  
14 on page 6 of our comments, verbatim.

15 MR. ABELSON: And those actually appear  
16 to extend over to page 7, as well. And there's no  
17 objection to those changes from staff.

18 MR. GALATI: Just to clarify, I may have  
19 misspoke. Exhibit 55 is the voluntary clean-up  
20 agreement, and Exhibit 56 is the letter  
21 identifying DTSC's role in reviewing appropriate  
22 documents.

23 HEARING OFFICER GEFTER: So what we  
24 would do in the PMPD is add references to those  
25 exhibits after the changes that you proposed.

1 MR. GALATI; Oh, that's correct. Just  
2 for clarification, Ms. Gefter, you could actually,  
3 if you don't mind putting the exhibits, you can  
4 either put them all at the end of that -- that one  
5 sentence covers both concepts, identified by both  
6 exhibits.

7 In addition, our next area is Worker  
8 Safety and Fire Protection. And at page 152,  
9 footnote 44, we ask that that be modified as well,  
10 to show that the project has entered into a  
11 voluntary clean-up agreement and will complete the  
12 preliminary endangerment assessment, and  
13 identifies what DTSC's role will be. And, again,  
14 following on the line, that should be Exhibit 55  
15 and 56 as the references for that.

16 MR. ABELSON: Staff has no objection.

17 MR. GALATI: SCPA does not have any  
18 comments on the Hazardous Materials section of the  
19 PMPD.

20 Our comments on the Waste Management  
21 Section again reflect the three areas, one, that  
22 there's a voluntary clean-up agreement; two,  
23 DTSC's role in reviewing what further action needs  
24 to be taken; and, three, there was some confusion  
25 about a soil management plan. We ask that page



1 171, the second paragraph, be modified as  
2 described on our comments, page 8.

3 Also at page 176, Findings and  
4 Conclusions, we ask that Finding 4 be modified,  
5 again, to reflect that there's a voluntary clean-  
6 up agreement already entered into, and the role of  
7 DTSC in the preliminary endangerment assessment.  
8 Specifically, it's outlined on our Comments Number  
9 8, on page 8.

10 And, finally, on page 179 -- excuse me,  
11 page 179, Condition of Certification Waste 5,  
12 we've made comments that begin on page 8 and end  
13 on page 9. These are actually modifications to  
14 both the condition and the verification, and we  
15 ask that those be adopted verbatim.

16 HEARING OFFICER GEFTER: Staff?

17 MR. ABELSON: No objection.

18 MR. GALATI: Our last comment in the  
19 area of Waste Management --

20 HEARING OFFICER GEFTER: One question.  
21 Where you're citing to Exhibit 56, do you also  
22 include Exhibit 55, because that's the voluntary  
23 clean-up agreement.

24 MR. GALATI: Yes, both those -- I have  
25 Exhibit 55 cited in the middle of the paragraph on

1 page 8, and Exhibit 56 a little further down. Are  
2 you talking about citing those in the Findings?

3 HEARING OFFICER GEFTER: No, only in  
4 this section.

5 MR. GALATI: Okay.

6 HEARING OFFICER GEFTER: Okay. I see  
7 where you have it cited. Thank you.

8 MR. GALATI: The second comment in Waste  
9 2 describes the role of the Soil Management Plan,  
10 and basically the Soil Management Plan is a  
11 component of further action that would be required  
12 by DTSC. And so then rather than requiring it in  
13 Waste Condition 2, it might be redundant and  
14 confusing since the, we're now in a voluntary  
15 clean-up agreement with DTSC, so we wanted to use  
16 their nomenclature.

17 So we ask that on page 171 we delete the  
18 last sentence, and on pages 177 and 178, that the  
19 first sentence of Condition of Certification Waste  
20 2, and the first sentence of its corresponding  
21 verification, be deleted.

22 MR. ABELSON: : Staff has reviewed these  
23 comments as well, and we have no objection.

24 MR. GALATI: SCPPA does not have any  
25 comments on the PMPD in the areas of Biological

1 Resources, Soil and Water Resources, Cultural  
2 Resources, Geology and Paleontology, Land Use,  
3 Traffic and Transportation, and Visual Resources.

4 However, we believe that there is an  
5 agreed upon change in the area of Soil and Water  
6 Resources, specifically with respect to Soil and  
7 Water 7. And I think I'm going to let James  
8 describe that change. But I believe that Soil and  
9 Water 7 is no longer going to be a condition and  
10 its verification is going to be moved to another  
11 condition with a new heading that makes it clear  
12 that the project has an obligation to report to  
13 staff on the progress of two specific upgrades  
14 being done in the city of Burbank reclamation  
15 plan.

16 MR. ABELSON: In fact, let's, if we  
17 could, Ms. Gefter, since that change is a result  
18 of the workshop we had a little while ago, and in  
19 part as a result of a question and concern that  
20 you had specifically raised, with your permission  
21 I let Mr. Reede maybe speak to that, and we can  
22 lay that issue to rest.

23 HEARING OFFICER GEFTER: Yeah, let's do  
24 that now in the context of Mr. Galati's comment,  
25 and just give us a page number.

1 MR. REEDE: Okay. Yes, in the context  
2 of reviewing the PMPD, Soil and Water 7 on page  
3 199 of the PMPD. Soil and Water 7 is deleted in  
4 its entirety. The verification of Soil and Water  
5 7 is moved to verification Soil and Water 5. A  
6 new paragraph B as in -- I mean, C, as in Charlie,  
7 with the title --

8 HEARING OFFICER GEFTER: It would be  
9 BWRP upgrades, colon.

10 MR. REEDE: Yeah, BWRP upgrades, colon,  
11 Biological Nutrient Removal Project and Chemical,  
12 Electrical and Plumbing Improvement Projects.

13 The text under that new paragraph C  
14 would read, "The project owner shall provide  
15 monthly progress updates and a final report on the  
16 BWRP upgrades to the CPM in the annual compliance  
17 report."

18 MR. ABELSON: So the same language that  
19 was in Verification 7. Is that correct, Mr.  
20 Reede?

21 MR. REEDE: Except that in the -- I'm  
22 sorry. The text that I read was incorrect. It  
23 should read, "The project owner shall provide  
24 monthly progress updates as part of the monthly  
25 compliance report, and a final report on the BWRP

1 upgrades to the CPM in the annual compliance  
2 report."

3 So they'll provide the monthly updates  
4 in the monthly compliance report. They'll supply  
5 the final report in the annual compliance report.

6 MR. ABELSON: We believe, Ms. Gefter,  
7 that that proposal is acceptable to the Applicant.  
8 It is acceptable to staff.

9 MR. GALATI: Yes, that proposal is  
10 acceptable to Applicant.

11 HEARING OFFICER GEFTER: Thank you. All  
12 right.

13 MR. GALATI: Going on with our comments,  
14 our next comments are on Noise and Vibration.  
15 Specifically, page 262, 263 and 271, any  
16 references to "Barney Street" should be "Varney,"  
17 with a "V". The "B" should be replaced with a "V"  
18 as in Victor.

19 On page 263, we wanted to provide some  
20 clarification as to how Noise 5 would operate.  
21 And so we've made changes on page 263 to the third  
22 paragraph, third sentence, as outlined in our  
23 comments on page 11. We ask that those be  
24 accepted.

25 In addition --

1 MR. REEDE: Yes, that is acceptable.

2 I'm sorry.

3 MR. GALATI: Okay. In addition, we ask  
4 for some changes to -- excuse me.

5 MR. REEDE: That was Comment 3; correct?

6 MR. ABELSON: Comment 2.

7 MR. REEDE: Okay.

8 MR. GALATI: Yes. May I have just a  
9 moment.

10 PRESIDING MEMBER GEESMAN: Mr. Reede,  
11 your agreement was directed to Comment 2?

12 MR. REEDE: Actually, we agree with  
13 Comments 1, 2 and 3. That's why I was asking,  
14 because I wanted to make sure I was following.

15 With Comment 3 there was a slight  
16 modification during the workshop.

17 HEARING OFFICER GEFTER: Yeah, Mr.  
18 Galati is looking for that language. He's going  
19 to tell us what the language is.

20 MR. GALATI: Yes. I also see a  
21 conforming change that needs to be done now. On  
22 the actual condition itself, on Noise 5, at page  
23 271, we've modified the verification to make sure  
24 that we're talking about 461 North Varney and 421  
25 Moss Street. We'd like that corresponding change

1 to be made in the condition, as well.

2 MR. REEDE: That's acceptable.

3 MR. GALATI: The agreement that was  
4 reached in the workshop, I believe staff agrees  
5 with our proposal on page 12, as modified, by  
6 inserting the phrase at the very beginning of the  
7 verification, to say, "At least 30 days, if  
8 possible, and no later than five days prior to  
9 ground disturbance."

10 With that modification, and the  
11 modifications proposed in Comment 3, on page 12 of  
12 our PMPD comments, I think we have agreement with  
13 staff on Noise 5.

14 MR. ABELSON: Did you say five working  
15 days?

16 MR. GALATI: Oh, I'm sorry. Five  
17 working days. So it would, the verification would  
18 begin, "At least 30 days, if possible, and no  
19 later than five working days prior to ground  
20 disturbance."

21 MR. ABELSON: And with that  
22 modification, Ms. Gefter, the changes that the  
23 Applicant has proposed in its Comment 3 on page 12  
24 to the verification of Noise 5 are acceptable to  
25 staff.

1 HEARING OFFICER GEFTER: Thank you.

2 MR. GALATI: The only overall comment I  
3 would make is, again, we'd like the introduction  
4 changed to reflect all of the changes made herein.

5 I believe that covers our comments on  
6 the Presiding Member's Proposed Decision.

7 HEARING OFFICER GEFTER: Thank you, Mr.  
8 Galati.

9 Mr. Abelson, would you like to present  
10 staff's comments, please.

11 MR. ABELSON: Yes, thank you. Again,  
12 I'll have Mr. Reede go through these for us, and  
13 briefly summarize the comments that staff has  
14 ordered, recognizing that these are all in the  
15 record now as an exhibit and are largely self-  
16 explanatory.

17 MR. REEDE: Staff's supplemental  
18 testimony, the first Committee request was to  
19 provide evidence regarding Air Quality and the  
20 Applicant's offset package, and the Applicant has  
21 met that test.

22 The second Committee request was to  
23 provide evidence regarding Socio-Economics of the  
24 Environmental Justice analysis, using the 2000  
25 census information for low income population data.



1 That was supplied, that information has been  
2 released after the filing of the FSA. There is a  
3 new Socio-Economic figure that is attached as part  
4 of this Exhibit 57.

5 Committee request number three, provide  
6 evidence regarding Noise, that the project will  
7 comply with good community noise control  
8 practices. Staff analyzed the potential noise  
9 impacts of the project's construction and  
10 operation with the goal of identifying any  
11 mitigation measures necessary to ensure that the  
12 project is designed, constructed and operated in  
13 compliance with the California Environmental  
14 Quality Act, and with all applicable noise laws,  
15 ordinances, regulations and standards.

16 Is this is achieved, staff is confident  
17 that the project will, in fact, comply with good  
18 community noise control practices. To ensure that  
19 the project, in fact, complies with these LORS,  
20 staff has proposed ten Conditions of  
21 Certification, one of which we just modified,  
22 Noise 5.

23 If these conditions are adopted as part  
24 of the Commission decision and properly  
25 implemented, staff believes that the project will

1       comply with good community noise control  
2       practices, those being the noise ordinances of the  
3       city of Burbank.

4               MR. ABELSON:  Mr. Reede, before you go  
5       on, in order to use our time efficiently, as I  
6       said, these are all in the record.  Perhaps, with  
7       the Committee's agreement, we might approach this  
8       by asking if the Committee has any questions about  
9       these comments, or if the Applicant has any  
10      concerns about them.

11             HEARING OFFICER GEFTER:  While we're on  
12      Noise, there are comments that staff proposed, and  
13      I did have a question regarding the rated capacity  
14      issue, which is part of staff's comments later on  
15      in your document.

16             If you could address that now --

17             MR. REEDE:  I can address that right  
18      now.

19             HEARING OFFICER GEFTER:  Yeah, then we  
20      could move on from Noise.

21             MR. REEDE:  Okay.  In the Noise issue,  
22      you had asked a particular question whether it  
23      should be --

24             HEARING OFFICER GEFTER:  Page 9 of your  
25      staff comments.

1           MR. REEDE: Yes. You had asked  
2 specifically baseload or peak rated capacity. We  
3 had a discussion internal to staff, and concluded  
4 that once it gets to 80 percent of baseload,  
5 you're going to have your short term noise survey  
6 measurements conducted. You have to get past 80  
7 percent of baseload to get the peak, and basically  
8 there's an unrecognizable difference in noise  
9 levels between baseload and peak once it gets up  
10 to maximum output.

11           So that's why we're basically saying or  
12 greater of rated capacity.

13           HEARING OFFICER GEFTER: In other words,  
14 you're --

15           MR. REEDE: Instead of putting baseload  
16 or peak, it's irrelevant. Once you get, once it  
17 gets to running full bore, the human ear will not  
18 be able to detect the difference.

19           HEARING OFFICER GEFTER: So in other  
20 words, staff figures that just saying 80 percent  
21 of rated capacity will cover both situations.

22           MR. REEDE: Yes.

23           HEARING OFFICER GEFTER: All right.  
24 That's fine.

25           There was something, and I'm not sure if

1 it was in staff's testimony or the Applicant's  
2 comments about changing the time for when --

3 MR. REEDE: Yes, that was --

4 HEARING OFFICER GEFTER: Was that in  
5 staff's --

6 MR. REEDE: -- staff's testimony, or  
7 staff's comments, page --

8 HEARING OFFICER GEFTER: Okay, because  
9 there, in the Noise Condition 3, there's some  
10 times when this noisy construction is allowed, and  
11 I believe that was changed in your comments.

12 MR. REEDE: Yes. Page -- well, there's  
13 actually two Noise timeframes, one on page 266,  
14 the second line, "Applicant will schedule  
15 construction six days a week, Monday through  
16 Saturday, from 7:00 a.m. to 10:00 p.m." It should  
17 read, "from 7:00 a.m. to 7:00 p.m."

18 Both the AFC, which the Applicant  
19 proposed, and the Staff Assessment, used 7:00 p.m.  
20 as the cutoff time. There was a difference in  
21 that, we saw 10:00 p.m., and we had a basis for  
22 7:00 p.m. versus 10:00 p.m.

23 The second item was in Noise Condition  
24 3, page 270. And we're asking that the paragraph  
25 be deleted that reads, "Noise due to start-up

1 steam blows shall be restricted to the times of  
2 day delineated below." The reasoning is that the  
3 steam blow process is covered in Condition Noise  
4 8, and if this paragraph is not deleted it would  
5 render continuous low pressure steam blows  
6 impossible.

7 You have two types of steam blows. The  
8 low pressure has to run, because of its nature, in  
9 excess of 24 hours. The high pressure steam blow  
10 could be restricted to those particular hours, but  
11 you would be eliminating the possibility of a low  
12 pressure steam blow, which is actually preferable  
13 in many instances.

14 HEARING OFFICER GEFTER: Okay. So  
15 that's fine. I assume the Applicant has no  
16 objection to that.

17 MR. GALATI: Yeah.

18 MR. REEDE: And it was to give them  
19 flexibility.

20 HEARING OFFICER GEFTER: And it's  
21 covered in Noise 8, in Condition Noise 8, anyway.  
22 Is that right?

23 MR. GALATI: Yeah. And just for the  
24 record, Hearing Officer and Commissioner Geesman,  
25 we agree with all of staff's comments except the

1       one comment that's written about the 30 days  
2       prior, which we have now come to an agreement in  
3       the workshop. And so we agree with all of staff's  
4       written comments.

5               HEARING OFFICER GEFTER: Right, thank  
6       you. Mr. Abelson, are there any other comments  
7       that you want to call out to us?

8               MR. ABELSON: No, Officer Gefter.  
9       Basically, Mr. Reede is here to answer any  
10      questions you or the Committee may have. Other  
11      than that, we're prepared to stipulate to this  
12      exhibit, with the modification that's just been  
13      called out.

14              HEARING OFFICER GEFTER: I think that  
15      the comments are self-explanatory.

16              With respect to the new testimony on  
17      cooling tower emissions, I understand this is now  
18      being submitted in all the AFCs, all the cases.

19              MR. REEDE: That is correct. All, well,  
20      in all cases where cooling towers are being used.

21              HEARING OFFICER GEFTER: Good point.

22              MR. REEDE: We do have a couple of cases  
23      that do not have cooling towers --

24              HEARING OFFICER GEFTER: Right.

25              MR. REEDE: -- and they have other

1 issues.

2 HEARING OFFICER GEFTER: All right.

3 MR. REEDE: That I'll not go into.

4 HEARING OFFICER GEFTER: Yes.

5 MR. GALATI: And only projects that are  
6 using reclaimed water? Or --

7 MR. REEDE: There's a difference in  
8 types of reclaimed water.

9 MR. GALATI: Okay.

10 MR. REEDE: You have secondary and  
11 tertiary. Secondary is where you have the  
12 potential for problems.

13 MR. GALATI: Okay.

14 HEARING OFFICER GEFTER: Okay. So, and  
15 Applicant has no objection to the new condition,  
16 as you indicated earlier.

17 MR. GALATI: That's correct.

18 HEARING OFFICER GEFTER: With respect to  
19 Public Health. Fine.

20 All right. So I think that we are done  
21 here with the comments, unless anyone else has  
22 anything else to add.

23 Anybody on the phone, is there anyone  
24 still on the phone?

25 Okay. Does the Applicant want to call

1 either of those witnesses?

2 Commissioner Geesman, do you have any  
3 questions for the parties?

4 PRESIDING MEMBER GEESMAN: No, I don't.

5 HEARING OFFICER GEESMAN: All right. At  
6 this point it looks like we're winding up this  
7 case. The next step is a list of the errata,  
8 which will include the comments and the various  
9 changes and condition rewrites, and references to  
10 the exhibits, et cetera, will all be included in  
11 what we call a list of errata.

12 That list of errata will be presented to  
13 the full Commission on March 5th, along with the  
14 PMPD, and our hearing is scheduled to begin around  
15 10:00 a.m. The Magnolia PMPD is item number 2 on  
16 the Business Meeting Agenda on March 5th.

17 MR. REEDE: Excuse me, Commissioner  
18 Geesman and Ms. Gefter. Should the Commission  
19 approve the power plant application, the Applicant  
20 will be required to submit a check to the  
21 California Department of Fish and Game through  
22 the, basically the state clearing house. We would  
23 need that check so that I can issue the  
24 documentation the day of approval, if it is  
25 granted.



1                   MR. BLOWEY:  You need the check itself,  
2                   or a copy of it?

3                   MR. REEDE:  No, I need the check.

4                   MR. BLOWEY:  The check itself.  You take  
5                   the check over.

6                   HEARING OFFICER GEFTER:  Okay.  That's  
7                   fine, you can discuss that off the record.

8                   At this point, we thank you very much  
9                   for your cooperation.  And we're going to adjourn  
10                  the hearing.  Thank you.

11                  (Thereupon, the hearing was  
12                  concluded at 4:15 p.m.)

## CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter,  
do hereby certify that I am a disinterested person  
herein; that I recorded the foregoing California  
Energy Commission Evidentiary Hearing and  
Committee Conference; that it was thereafter  
transcribed into typewriting.

I further certify that I am not of  
counsel or attorney for any of the parties to said  
Hearing, nor in any way interested in the outcome  
of said Hearing.

IN WITNESS WHEREOF, I have hereunto set  
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